



WISCONSIN

DEPARTMENT OF WORKFORCE DEVELOPMENT

Division of Economic Support
Bureau of Work Support Programs

**TO: Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies**

FROM: Stephen M. Dow
Policy Analysis & Program Implementation Unit
Work Programs Section

BWSP OPERATIONS MEMO

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Non W-2 **W-2** **CC**

PRIORITY: High

SUBJECT: W-2: INAPPROPRIATE SANCTIONS

CROSS REFERENCE: W-2 Manual – Chapters 10 & 11
BWSP Operations Memo 98-12 & 00-03

PURPOSE

This memo provides W-2 agencies with a reiteration of policies and procedures regarding the payment of W-2 benefits to participants in Caretaker of a Newborn (CMC) placements and changes between subsidized and unsubsidized employment positions.

BACKGROUND

A recent Legislative Audit Bureau report finds that W-2 participants have received sanctions while in non-sanctionable placements. The Department of Workforce Development will be addressing these findings by reviewing past payments to participants as well as looking to future changes in CARES and procedures to assist workers in preventing future errors. A work effort has been started to identify those cases where inappropriate sanctions were applied since September 1997. Local agencies will be notified when the Department has finished its analysis of incorrect past payments. This memo addresses steps local agencies are to take immediately to prevent future errors. On going follow-up by the Department will continue until CARES changes or edits are made to prevent these types of errors.

CMC SANCTIONS

A custodial parent of an infant 12 weeks old or less who meets financial and non-financial eligibility of W-2 may receive a monthly payment of \$673; s/he will not be required to participate

in an employment position, except voluntarily. Although the participant may volunteer for appropriate services and activities, failure to participate **will not** result in a payment deduction.

Once a participant's child reaches 12 weeks of age, the parent is expected to join the workforce, like other parents of young children or, if otherwise eligible, can be placed in a W-2 employment position. Regardless, the CMC placement must end 12 (7 days x 12 weeks = 84 days) calendar weeks after the child was born. Counting CMC 12 weeks should result in the ending of the CMC placement exactly on the day that the child turns 12 weeks old, regardless of the number of weeks that the participant was in CMC. CMC cannot extend beyond this date.

Example: Joan applies for the Custodial Parent of an Infant payment on December 28th because her baby is due on January 1st. The FEP processes the application and informs Mary she must bring in verification of the baby's birth as soon as possible. Joan's baby is born on the 1st and she brings verification of birth to the FEP on January 7th. Joan is placed in CMC effective January 1st, the date of the baby's birth. Joan will no longer be eligible for CMC on March 26, which is 12 calendar weeks from the date the child was born.

NOTE: CARES screen ACWI only checks if a child less than 12 weeks is present in the W-2 AG when the CMC placement begins. There are no edits to end the CMC placement when the child reaches 12 weeks of age or to prevent CMC placements from receiving a sanction. Sanctions have occurred in the past for a number of reasons and the most common situations are described below. For each of these, there are different worker actions to take to prevent the error in the future.

BACKDATING CMC PLACEMENTS

Problems occur when a participant enters CMC and the worker has backdated the start date of this placement. For example, a W2T participant reports the birth of a child and provides verification five days later. By policy, the date CMC begins may be backdated to the date of birth. The worker may have already entered non-participation hours for the W2T activities on WPNP using dates during what is now the CMC placement. If the worker does not remember to enter Good Cause for the hours during CMC, the CMC sanction occurs.

Action: Whenever a participant is moved from a subsidized employment position to CMC, tran to screen WPNP to ensure that any non-participation recorded is for dates covering only the subsidized placement period. Because the WPNP screen allows workers to enter a range of non-participation dates, document the exact dates of non-participation that occurred within the subsidized employment position timeframe and ensure that the non-participation does not cross over to the CMC period. Good case management practices include doing an update on screen WPCH to any assigned activity that is continuing as part of CMC, and to change the activity on WPCS from sanctionable to not sanctionable on the same date that CMC begins. Activities that are ending should end on the last day of the subsidized employment placement.

END-DATING CMC APPROPRIATELY

Problems occur when a participant is reassigned activities that are part of an Employability Plan consistent with placement in a CSJ or W2T, but the CMC placement on screen ACWI is not changed. Workers enter non-participation for these activities, but it appears as if these sanctioned hours are for CMC rather than for the appropriate subsidized placement. While this

type of error results in a sanction that would be correct had the placement been changed, the data on CARES shows this to be an incorrect payment.

Action: Calculate the exact date that CMC ends, following the instructions above (W-2 Manual 7.4.0), and set a worker alert to change the CMC placement on the appropriate day. A good case management practice is to check ACWI every time non-participation hours are entered on screen WPNP. This becomes especially important if more than one worker is entering non-participation in CARES.

SANCTIONS WHILE IN CMC

Problems occur when non-participation is entered on screen WPNP for missed appointments, voluntary assigned activities, or pre-CMC subsidized placement activities that were not ended. It is correct to document all non-participation, but the worker needs to record Good Cause for dates while the participant is in a CMC placement.

Action: Check screen WPMA for all CMC participants on the caseload before Benefit Issuance Pulldown to ensure that no sanction is in place for dates the participant was in CMC. If you find sanctioned hours are present, screens ACWI and WPNP, must be cross-checked for dates and placement types and apply Good Cause for all hours of non-participation during CMC.

ENDING W-2 WHEN CMC ENDS

Problems occur when a CMC placement is ending prior to the end of a participation period and the participant no longer requests W-2 services. Workers incorrectly sanction for the remaining days in the participation period rather than closing the W-2 AG correctly with a partial payment. This is not the appropriate use of the sanctioning process.

Action: Review Operations Memo 98-12 regarding the process for correct prorated payments. Run eligibility with dates to get correct partial payment.

GENERAL NOTE ABOUT CMC CASE MANAGEMENT

When a participant begins CMC, an alert is created to change the WP Registration Code (on screen WPWI) from Mandatory to Voluntary. Changing the WP Registration Code from Mandatory to Voluntary also prevents incorrect sanctioning. Similarly, when CMC ends, changing the participant back to Mandatory is necessary to again allow for sanctioning.

Caution: If a participant is in both a sanctionable subsidized employment placement and CMC during a W-2 participation period, changing the WP Reg Code to V will stop appropriate sanctioning for the part that was W2T or CSJ, even though the dates on WPNP are correct. When the participant needs to be sanctioned for pre-CMC non-participation, delay the change to Voluntary until the beginning of the new participation period.

CASE MANAGEMENT ONLY PLACEMENT SANCTIONS

Whenever a participant is moved between Case Management Only (CMO) placements and one of the subsidized placements within the same participation period, incorrect sanctions are being applied against the paid placement for dates when the participant was in the CMO status.

MOVING FROM CMO TO A SUBSIDIZED PLACEMENT

Problems occur when the subsidized placement begins and the dates of non-participation recorded on screen WPNP include dates when the person was still in a CMO type of placement.

Action: Cross-check ACWI whenever non-participation is entered on screen WPNP to ensure that the dates coincide with the time period the participant was in a paid placement. Any non-participation recorded for dates when the individual was in a CMO placement need to be Good Caused so these hours will not be sanctioned.

MOVING FROM A SUBSIDIZED PLACEMENT TO A CMO PLACEMENT

Problems occur when the subsidized placement ends during a participation period and the worker enters non-participation dates on screen WPNP that crossover into the CMO placement. Other problems that have been found include workers sanctioning the remaining days in the participation period rather than having CARES determine the final partial payment.

Action: Follow the instructions for running eligibility with dates to correctly determine the partial payment. Good case management practices include doing an update on screen WPCS to any assigned activity that is continuing as part of case management only, and to change them from sanctionable to not sanctionable on the same date that CMO begins. Note: It is not necessary to end the activity; use the "U" Update as the Type of Action of WPCH to change the appropriate activities from sanctionable to non-sanctionable. Additionally, check screen WPNP to ensure that dates of sanctionable non-participation corresponds to dates within the subsidized placement period.